

WEIL GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007  
Jacqueline Marcus

Attorneys for Debtors  
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re**

**LEHMAN BROTHERS HOLDINGS INC., et al.,**

**Debtors.**

**Chapter 11 Case No.**

**08-13555 (JMP)**

**(Jointly Administered)**

**JOHNATHAN KEENEY,**

**Plaintiff,**

**ADV. PRO. 10-03278 (JMP)**

**v.**

**LEHMAN BROTHERS HOLDINGS INC.,**

**Defendant.**

**STIPULATION, AGREEMENT, AND ORDER  
BETWEEN LEHMAN BROTHERS HOLDINGS INC. AND JOHNATHAN KEENEY  
PROVIDING FOR RELIEF FROM THE AUTOMATIC STAY WITH  
REGARD TO REAL PROPERTY LOCATED IN BALTIMORE, MARYLAND**

TO THE HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE:

This Stipulation, Agreement and Order (the “Stipulation, Agreement and Order”)

is entered into by and between Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated

debtors in the above referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”), and Johnathan Keeney (“Keeney”).

**RECITALS**

A. On September 15, 2008 and periodically thereafter Lehman Brothers Holdings Inc. (“LBHI”) and certain of its subsidiaries commenced with this Court voluntary cases (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code.

B. On June 8, 2010, Keeney commenced the above captioned adversary proceeding against LBHI (the “Adversary Proceeding”) by filing a summons and complaint in the Chapter 11 Cases (the “Complaint”).

C. The Complaint alleges that on December 20, 2002, Lehman Capital, a division of LBHI, acquired title to real property located at 2533 Eastern Avenue, Baltimore, Maryland (the “Real Property”) following a foreclosure proceeding relating to a mortgage and related note, dated April 19, 2001 (the “April 19, 2001 Note”) and given by an individual named William Henry Christ (“Mr. Christ”).

D. The Complaint further alleges that Mr. Christ paid off the April 19, 2001 Note on August 18, 2003 by sending \$156,827.93 to Household Mortgage Services, agent for Lehman Capital, thereby redeeming the Real Property. Contemporaneously therewith, Mr. Christ transferred the Real Property, via deed, to Keeney for the sum of \$165,000.00 (the “August 18, 2003 Deed”).

E. The Complaint further alleges that Keeney recorded the August 18, 2003 Deed in the Baltimore City, Maryland land records on August 22, 2003, and that on August 27, 2003, the Real Property was improperly transferred to Lehman Capital, via substitute trustees’

deed (the “August 27, 2003 Substitute Trustee’s Deed”), despite the fact that the April 19, 2001 Note was paid off on August 18, 2003.

F. The Complaint further alleges that Lehman Capital, or its agent, improperly recorded the August 27, 2003 Substitute Trustee’s Deed on September 2, 2003.

G. LBHI has determined that it transferred its interest in the Real Property to a third party in 2003. As a result, neither LBHI nor any of the other Debtors currently holds a direct interest in the Real Property.

H. Keeney seeks entry of an order terminating the automatic stay extant in the Chapter 11 Cases pursuant to section 362 of the Bankruptcy Code and allowing him to exercise his non-bankruptcy rights and remedies as to the Real Property.

I. In light of the foregoing, and to ensure that Keeney is not prohibited from exercising his rights with respect to the Real Property, LBHI and Keeney (each a “Party” and together, the “Parties”) have agreed, subject to approval of this Court, to resolve the Adversary Proceeding on the terms set forth below.

**IT IS HEREBY STIPULATED, AGREED, AND ORDERED** by and between LBHI and Keeney, through their undersigned attorneys, that:

1. This Stipulation, Agreement, and Order shall have no force or effect unless and until approved by the Court (the “Effective Date”).

2. Upon the Effective Date, to the extent that the automatic stay is applicable, it shall be modified with respect to Keeney’s interest in the Real Property, and Keeney shall be permitted to exercise his rights under applicable non-bankruptcy law against the Real Property.

3. Except as provided in paragraph 2, the provisions of section 362(a) of the Bankruptcy Code, including, without limitation, those provisions prohibiting any act to collect,

assess, or recover a claim that arose prior to the Commencement Date from LBHI's estate and/or assets or property of LBHI (as defined in section 541 of the Bankruptcy Code) shall remain in full force and effect.

4. Within 3 business days of the Effective Date, Keeney shall file a notice of voluntary dismissal of the Adversary Proceeding substantially in the form attached hereto as Exhibit A.

5. This Stipulation, Agreement, and Order may only be amended or otherwise modified by a signed writing executed by the Parties.

6. Each person who executes this Stipulation, Agreement, and Order by or on behalf of a Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation, Agreement, and Order on behalf of such Party.

7. This Stipulation, Agreement, and Order may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation, Agreement, and Order to present any copy, copies, electronic copies, or facsimiles signed by the Parties.

8. This Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation, Agreement, and Order.

Dated: July 12, 2010  
Florham Park, New Jersey

/s/ Elliot D. Ostrove  
Elliot D. Ostrove, Esq.

Day Pitney, LLP  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
Telephone: (203) 977-7383  
Facsimile: (203) 977-7301

and

7 Times Square  
New York, New York 10036  
Telephone: (212) 297-5800

Attorneys for Johnathan Keeney

Dated: July 20, 2010  
New York, New York

/s/ Jacqueline Marcus  
Jacqueline Marcus

WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007

Attorneys for Debtors  
and Debtors in Possession

**SO ORDERED:**

Dated: New York, New York  
August 5, 2010

s/ James M. Peck  
Honorable James M. Peck  
United States Bankruptcy Judge

**Exhibit A**  
**(Notice of Voluntary Dismissal)**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re

LEHMAN BROTHERS HOLDINGS INC., *et al.*,

Debtors.

: Chapter 11 Case No.

: 08-13555 (JMP)

: (Jointly Administered)

JOHNATHAN KEENEY,

Plaintiff,

: ADV. PRO. 10-03278 (JMP)

v.

LEHMAN BROTHERS HOLDINGS INC.,

Defendant.

**NOTICE OF VOLUNTARY DISMISSAL PURSUANT TO F.R.C.P. 41(a)**

Pursuant to Rule 41(a)(1)(A)(i) of the Federal Rules of Civil Procedure, as made applicable to this adversary proceeding by Federal Rule of Bankruptcy Procedure 7041, this adversary proceeding is hereby voluntarily dismissed with prejudice and without costs to either party.

Dated: July \_\_, 2010  
Florham Park, New Jersey

By: \_\_\_\_\_  
Elliot D. Ostrove, Esq.

Day Pitney, LLP  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
Telephone: (203) 977-7383  
Facsimile: (203) 977-7301

and

7 Times Square  
New York, New York 10036  
Telephone: (212) 297-5800

Attorneys for Johnathan Keeney